

FIRST QUARTER | 2025 FINANCIAL REPORT

A LETTER FROM THE PRESIDENT

The bank delivered strong financial performance in the first quarter with positive results across a majority of our key reporting areas.

FINANCIAL PERFORMANCE

As of March 31, 2025, total assets were \$696.6 million compared to \$663.2 million, reflecting an increase of 5.0%. Net income for the first quarter was \$988,436 versus \$820,096, a year ago, or an increase of 20.5%.

Net interest income in the first quarter was 17.8% higher compared to the same period last year as our interest margin recovered from compression caused by the rise in interest rates in prior years. This growth reflects our continued focus on optimizing earning asset yields while effectively managing funding costs.

Deposits increased by \$33.0 million or 5.9%, compared to the same period last year. This growth was largely driven by customers seeking higher-yielding options, with the majority of the increase attributed to balances in certificates of deposit (CD).

At the end of the first quarter, our loan portfolio totaled \$498.7 million, reflecting an increase of \$36.5 million, or 7.9% compared to the same time last year. This growth was primarily driven by key business relationships and construction funding aimed at supporting business expansion in Dixon as well as Harvard and Janesville markets.

As we look ahead, we anticipate the current economic environment will continue to influence borrowing and saving behaviors. Consistent with our approach through various economic cycles, we remain committed to managing the business with a long-term focus.

INVESTMENTS IN TECHNOLOGY

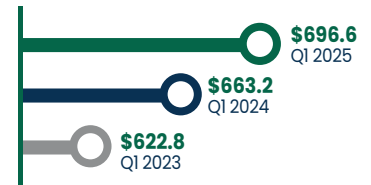
Growing and deepening our customer relationships would not be possible if we did not focus on investing in our future-one that continues to improve the customer experience and create a safer banking experience for all.

Next quarter, we are pleased to introduce an enhanced digital experience for our business customers. By leveraging advanced technology referred to as Banno, our customers will be able to interact with their online accounts with greater efficiency, convenience and security.

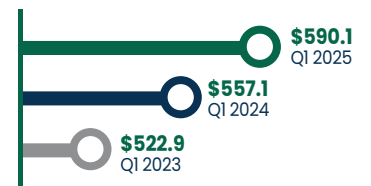
While customers will be able to use the new digital banking platform, our Business Services team remains ready to assist with any needs they may have. This seamless integration of high-touch service and technology creates the differentiated banking experience our customers have come to know and trust.

PERFORMANCE AT A GLANCE

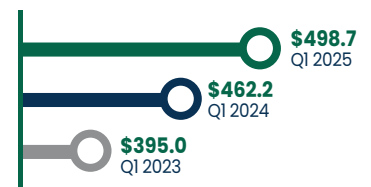
TOTAL ASSETS (IN MILLIONS)



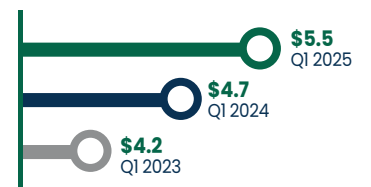
TOTAL DEPOSITS (IN MILLIONS)



TOTAL LOANS (IN MILLIONS)



NET INTEREST INC. (IN MILLIONS)



TANGIBLE BOOK VALUE PER SHARE



The Team You Can Trust



CULTURE

Our people and culture continue to be our greatest competitive advantage-one that we do not take lightly. As our organization grows, it is more important than ever that we remain grounded in these values. We must intentionally nurture and invest in our RADAR culture to ensure our team continues to be aligned with our mission.

To support this effort, we are excited to welcome Sarah Cleary back to the bank as AVP Service Excellence Coordinator. In her role, Sarah will be dedicated to enhancing service delivery across the organization.

We also would like to welcome Tracy Downs as our new SVP Customer Service Officer. Tracy brings a wealth of experience to her role. With her strong background in retail banking, customer experience strategy and team leadership, she is well-positioned to lead our service culture across the organization.

The bank is proud to acknowledge the outstanding achievements of two of our dedicated team members. Congratulations to our Retail Market Manager, Arnulfo Valdivia, on successfully completing the Future Leaders Alliance Program through Illinois Bankers Association-a commendable achievement that reflects his commitment to professional growth and leadership in community banking.

We are also proud to recognize our Rock Falls Market President, Suzy Perino, for receiving the Professional Service Award from the Rock Falls Chamber of Commerce. This prestigious honor celebrates individuals who have demonstrated a long-standing commitment to professional excellence and service within the Rock Falls community.

As we look to the remainder of the year, we remain focused on strategic growth and delivering long-term value to our customers, community and you-our shareholder. Thank you for your ongoing trust and support in Sauk Valley Bank.

A handwritten signature in black ink, reading "Dirk Meminger".

DIRK MEMINGER

President & CEO



Law Enforcement Appreciation Day
Tygen Bausman, Suzy Perino



Forward Janesville Luncheon
Sarah Schwarz, Ray Oswald, Olivia Peterson



Rock Falls Career Fair
Gina Smith, Suzy Perino, Robbie Minor



Tracy's Open House
Tracy Downs, Sarah Cleary, Dirk Meminger